

**Before the
Federal Communications Commission
Washington, D.C.**

In the Matter of)	
)	
Bridging the Digital Divide for)	WC Docket 17-287
Low-Income Consumers)	
)	
Lifeline and Link Up Reform and)	WC Docket 11-42
Modernization)	
)	
Telecommunications Carriers Eligible)	WC Docket 09-197
For Universal Support)	

**REPLY COMMENTS
OF THE MISSISSIPPI PUBLIC SERVICE COMMISSION**

The Mississippi Public Service Commission (“MPSC”) respectfully submits reply comments to the Federal Communications Commission (“FCC” or “Commission”) in support of the comments filed on January 23 and 24, 2018, by Indiana Utility Regulatory Commission, Michigan Public Service Commission, Minnesota Commerce Department and Minnesota Public Utilities Commission, and Missouri Public Service Commission (collectively referred to as “States’ Comments”) in response to the Fourth Report and Order, Order on Reconsideration, Memorandum Opinion and Order, Notice of Proposed Rulemaking, and Notice of Inquiry.¹ These reply comments also support those filed on February 21, 2018, by the Florida Public Service Commission and the National Association of Regulatory Utility Commissioners (“NARUC”). The NARUC comments reference the recent resolution passed at the February 2018 Winter Policy Summit entitled “Resolution to Ensure that the Federal Lifeline Program Continues to Provide Service to Low-Income Households” which echoes the concerns of the MPSC in these

¹ See Fourth Report and Order, Order on Reconsideration, Memorandum Opinion and Order, Notice of Proposed Rulemaking, and Notice of Inquiry FCC 17-155 (rel Dec 1, 2017) (“Fourth Report and Order”).

reply comments. The MPSC appreciates the Commission's intent to reduce waste, fraud, and abuse of the Lifeline Program and welcomes the opportunity to file reply comments in this matter.

Introduction

The MPSC will initially address concerns discussed in Section V. NOTICE OF PROPOSED RULEMAKING, A. Respecting the States' Role in Program Administration and B. Improving Lifeline's Effectiveness for Consumers. These reply comments are consistent with the MPSC's position in its Petition for Review² and comments filed on August 22, 2011 in response to FCC 11-32 ("2011 Comments").³ The Petition for Review filed by the twelve states, including Mississippi, supports its stance that the eligible telecommunications carrier ("ETC") designation is better served by state jurisdictions. The 2011 Comments stated that, "States should continue to have a decisive role in determining which telecommunications carriers are eligible to receive USF support within their borders." The 2011 Comments emphasized the MPSC's support to eliminate waste, fraud, and abuse of the Lifeline Program.⁴

Respecting the States' Role in Program Administration

The MPSC concurs with States' Comments that the authority to designate ETCs by state commissions places the determination of eligibility with the agencies that are close to both the consumers and the providers. The 2016 Lifeline Order's preemption of state designation of Lifeline Broadband Providers ("LBP") was challenged by the

² See *State of Wisconsin, ET AL., Petitioners, v Federal Communications Commission and United States of America, Respondents*, In the United States Court of Appeals for the District of Columbia Circuit, No. 16-1219, filed Jun 30, 2016 ("Petition for Review").

³ See MPSC Comments filed with FCC on August 22, 2011, In RE Universal Service Reform and the Role of the States, WC Docket Nos. 10-90, 07-135, 05-337, 03-109, CC Docket Nos. 01-92, 96-45; and GN Docket No. 09-51.

⁴ See Notice of Proposed Rulemaking, FCC 11-32 (Rel Mar 4, 2011).

National Association of Regulatory Commissioners (“NARUC”) and a coalition of states led by the State of Wisconsin and which included Mississippi.⁵ These actions were filed in the U.S. Court of Appeals for the D.C. Circuit and have been remanded back to the Commission for further proceedings. The MPSC emphasizes its position that the jurisdiction for designating eligible telecommunications carriers, including LBPs, should remain within the state’s authority. The MPSC has initial filing requirements to apply for an ETC and requires annual submissions as defined in MPSC Docket 2005-AD-662 of all ETCs that reinforce and complement the FCC rules. In addition, the MPSC performs a rigorous review of each ETC’s filing. Also, the 2011 Comments further support the MPSC’s view that the states are in a better position to designate ETCs within its border and to assist in the enforcement of the FCC rules.

The MPSC agrees with the States’ Comments that voice should remain as a component of Lifeline service. Also, the phasing down of Lifeline support for voice may prove to be detrimental to many Lifeline consumers. It is prudent to continue voice-only service as a supported Lifeline service offering to those consumers that prefer voice over broadband.

Improving Lifeline’s Effectiveness for Consumers

Minnesota’s comments shared the MPSC concerns that the requirement to invest in networks should remain within the other programs of the Connect America Fund and should not be a requirement of Lifeline. The MPSC is apprehensive that the discontinuance of Lifeline support for non-facilities-based service will be detrimental to the Lifeline participants in Mississippi.⁶ The requirement to offer facilities-based service

⁵ Fourth Report and Order, ¶56.

⁶ Fourth Report and Order, ¶ 67.

and invest in such may jeopardize the ability of low income families who depend on Lifeline's wireless phone service.

The FCC conditionally granted TracFone's petition for forbearance of the facilities-based requirement of ETCs on September 6, 2005.⁷ TracFone was the first prepaid wireless low income only ETC designated in Mississippi on August 3, 2010, in MPSC Docket 2009-UA-118. Today, five other prepaid wireless ETCs, who have received forbearance of the facilities requirement from the FCC, have been designated in Mississippi. The prepaid wireless ETCs, who have received forbearance of the facilities requirement from the FCC, serve the majority of the Lifeline consumers in Mississippi. Twelve years have passed since the FCC's forbearance of TracFone. On December 29, 2011, the FCC amended its rules to allow forbearance of the facilities requirement for Lifeline-only ETCs in the Lifeline Reform Order.⁸ Since that order, the FCC has granted several Compliance Plans and ETC petitions. Many states have also granted ETC designations based on these FCC approvals and forbearance.⁹ The Lifeline Reform Order also created paths to implement the National Lifeline Accountability Database ("NLAD") and the establishment of an eligibility database ("National Verifier").¹⁰ The NLAD has been in place in all states since 2014, and the National Verifier will be implemented beginning in 2018. The MPSC agrees with Indiana's comments that the FCC should be cautious regarding discontinuing Lifeline support for services provided by non-facilities-based ETCs. Michigan commented that the elimination of support for non-facilities-based

⁷ See FCC Order 05-165 Petition of TracFone Wireless, Inc. for Forbearance from 47 U.S.C. §214(e)(1)(A) and 47 C.F.R §54.201(i) (rel Sept 8, 2005).

⁸ See Report and Order and Further Notice of Proposed Rulemaking, FCC 12-11 (Rel Feb 6, 2012) ("Lifeline Reform Order").

⁹ See <https://www.fcc.gov/general/lifeline-compliance-plans-etc-petitions> (last visited De 6, 2017).

¹⁰ Lifeline Reform Order, ¶179 and ¶399.

service providers could cause wireless providers in the state to exit the Lifeline market, reduce service options for Lifeline customers, and potentially cause existing Lifeline customers to lose their service.

Another concern of the MPSC is the diminishing number of facilities-based providers that are offering Lifeline in Mississippi. For instance, AT&T Mississippi partially relinquished its ETC designation in MPSC Docket 2016-UA-213 except with regard to specified areas where it remains eligible for Connect America Phase II funding (“CAFII”). AT&T Mississippi cited that there were many ETCs that offered Lifeline in its service area and included the prepaid wireless ETCs as its basis for relinquishing its designation in non-CAFII areas. Many other facilities-based providers have relinquished ETC designations as well.

Conclusion

The role of designating ETCs should remain under the states’ jurisdiction. States should have the final decision in determining which telecommunications carriers are eligible to receive funding from the Connect America Fund/Universal Service Fund and are postured to complement the FCC in designating ETCs within its border and to assist in the enforcement of the FCC rules.

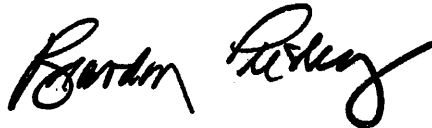
The MPSC supports the FCC maintaining support for voice-only service as a component of the Lifeline program. Consumers who qualify for Lifeline should have a choice of voice, broadband, or a bundle of services. The MPSC agrees with Missouri’s comments that voice-only service should remain an option for those consumers who prefer voice over broadband.

The FCC's implementation of the NLAD and currently the National Verifier should only strengthen the Lifeline Program in preventing waste, fraud, and abuse of the program. The MPSC recommends the FCC delay consideration of reversing the forbearance of facilities until the enactment of the National Verifier and the accountability of both databases, NLAD and National Verifier, has been determined.

The MPSC appreciates the opportunity to file these reply comments on such a very important matter that will affect so many of our low-income consumers whom we have committed to serve.

Respectfully Submitted,

MISSISSIPPI PUBLIC SERVICE COMMISSION



Brandon Presley, Chairman



Cecil Brown, Vice Chairman



Samuel F. Britton, Commissioner

Dated: March 23, 2018